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# UNITED STATES DEPARTMENT OF THE INTERIOR

DIVISION OF SUBSISTENCE HOMESTEADS
WASHINGTON

CIRCULAR NO. 1

GENERAL INFORMATION CONCERNING THE
PURPOSES AND POLICIES OF THE
DIVISION OF SUBSISTENCE HOMESTEADS

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#### I. Statutory and Executive Authority.

Pursuant to an Executive Order of Júly 21, 1933, the Secretary of the Interior organized the Division of Subsistence Homesteads in the Department of the Interior to act as the administrative agency for the President and for the Secretary of the Interior to effectuate the purposes and policy of Section 208 of Title II of the National Industrial Recovery Act (Public No. 67, 73d Congress).

Section 208 is as follows:

#### SUBSISTENCE HOMESTEADS

Sec. 208. To provide for aiding the redistribution of the overbalance of population in industrial centers \$25,000,000 is hereby made available to the President, to be used by him through such agencies as he may establish and under such regulations as he may make, for making loans for and otherwise aiding in the purchase of subsistence homesteads. The moneys collected as repayment of said loans shall constitute a revolving fund to be administered as directed by the President for the purposes of this section.

The Executive Order (No. 6209) is as follows:

#### EXECUTIVE ORDER

REDISTRIBUTION OF THE OVERBALANCE OF POPULATION IN INDUSTRIAL CENTERS BY MEANS OF MAKING LOANS FOR AND OTHERWISE AIDING IN THE PURCHASE OF SUBSISTENCE HOMESTEADS.

By virtue of the authority vested in me by the Act of Congress, entitled "An Act to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes," approved June 16, 1933 (Public No. 67, 73d Congress), in order to effectuate the intent and purpose of the Congress as expressed in Section 208 under Title II thereof, I hereby authorize the Secretary of the Interior to exercise all the powers vested in me, for the purpose of administering all the provisions of Section 208 under Title II of said Act, including full authority to designate and appoint such agents, to set up such boards and agencies, and to make and promulgate such regulations as he may deem necessary or desirable.

The White House.

July 21, 1933. FRANKLIN D. ROOSEVELT.

The Division of Subsistence Homesteads is a unit in the Department of the Interior, subject to such special policies, rules and regulations as the Secretary, acting for the President, may prescribe. It is not a part of the Federal Emergency Administration of Public Works.

This Circular is intended to provide general information on the purposes of the legislation and on the general policies formulated for its administration.

#### II. Problems to which the Legislation is Directed.

Underlying the enactment of this legislation is the widely held belief that large numbers of the population of this country face a period of employment difficulties so severe and prolonged that special measures of much more than an emergency relief character are required to deal with the situation. The unexpected duration of the depression forcefully emphasized the existence of basic weaknesses in our economic and social structure which had been developing for some time as a result of the planless, unguided national development of the past, and served also to call attention to markedly changed and, in some cases, new factors which can only be brought under control through a conscious policy of national planning. The planned redistribution of population contemplated in the subsistence homesteads legislation is essential in order that large groups of people, caught in a situation from which they are powerless to extricate themselves unaided, may have an opportunity to gain for themselves some degree of economic security and a more adequate standard of living.

Among the more specific problems with which this legislation is designed to deal are the following:

1. "Stranded" industrial population groups. Particularly in the extractive industries, thousands of people have been left without an adequate source of employment and future livelihood because of the decline of a particular industry or its relocation elsewhere. It has been estimated that there are at least 200,000 bituminous coal miners, for example, who have little or no prospect of future employment, partly because of improved mining machinery and methods, in some cases because of age, but largely because of exhaustion or closing of particular mines. Closing in many cases is regarded as permanent; in others little hope is held out for an early reopening. Large numbers of persons attached to other mineral industriescopper, lead, zinc and petroleum, for example -- are reported to be in a similar situation. Likewise in the industries dependent upon timber, thousands of families have been left stranded by the cutting off of the forests. In one Northwestern State, approximately twenty-five "lumber towns" are said to face a precarious struggle for existence because of the exhaustion of the nearby commercial timber supplies. There are in addition numbers of workers attached to manufacturing plants which have been closed down more or less permanently or have relocated elsewhere, a situation attributed in part to recent era of mergers and consolidations.

Although a considerable number of these "stranded" workers may without public assistance be able to move to more favorable conditions elsewhere or train themselves for other lines of work, a great many others will have much difficulty in doing so. Industrial recovery is likely to find them still on the relief rolls because their permanent source of employment disappeared with the exhaustion of the resource or closing of the plant.

- 2. "Over-aged" workers. There are reported to be a large and increasing number of urban workers eliminated from their regular employments because of age. Bituminous coal miners, for example, are said to find employment in the mines progressively more difficult to obtain, as a general rule, as they pass beyond 35 years of age, and very nearly impossible after 45. Increasingly, apparently, certain types of manufacturing plants and some commercial institutions are drawing the employment "deadline" at from 45 to 50 years of age. If this tendency continues to be at all extensive, as some informed observers believe will be the case, steps to aid these people to find new avenues of self-support will be imperative. A subsistence homestead, combined with wage employment, -- some form of which, at least on a part-time basis, undoubtedly can be secured upon the return of normal conditions -- should enable these workers to become self-sustaining. For the younger worker, a garden home, acquired during his active years in industry, offers the prospect of a place to which to retire when the period of maximum earning power has passed. The proportion of older people in the Nation's population is increasing, which suggests that provision for old age will become a more important American social problem than it has been in the past.
- 3. The shorter workday and work week. That technical progress, present and prospective, will result in further shortening of the work day and work week as a permanent feature of the industrial order is a view held by a number of authorities. Such a trend suggests the possibility of a considerable development of garden homes within commuting distance of office and factory, both for residential purposes and as a means by which this additional spare time of the workers, together with the help of other members of their families, may be utilized in the raising of garden vegetables, fruit and poultry for family use, as a supplement to the incomes received from employment in factory, office, or the trades.
- 4. <u>Cyclical unemployment</u>. One approach to the problem of recurrent industrial booms and depressions is to attempt control of the business and financial system. Effective control of the business cycle, however, does not yet appear to have been developed. Another approach is an attempt to adjust to the system as it is. The development of garden homes in the vicinity of industrial centers is one way of adjusting to the system. In times of industrial adversity these would be a refuge on which the otherwise unemployed labor of the worker and his family could be utilized in the production of much of the family's food needs and to that extent reduce the need for relief. In "good times", the family, quite naturally, would rely more heavily on the pay envelop and less on the products of its own labor on the land; in bad times, the reverse would be true.

The prolonged and continued severity of the present depression places it beyond the classification of an ordinary cyclical depression. It represents a delayed reaction to the fundamental dislocations in the economic

structures of all the leading countries of the world which was merely postponed by an intermediary post-war boom. The reaction has been complicated by the use of extreme measures of economic nationalism calculated to promote national self-sufficiency through tariffs, quotas, and the like, and further complicated by disorganization of monetary and financial systems, a marked development and adoption of more efficient production methods, and other factors. It is not unlikely that a considerable period of time will be required to rebuild a new economic balance, during which serious employment problems may be expected to continue. This prospect has led to special emphasis on the garden-home mode of adjustment at this time.

- 5. <u>Seasonal industry</u>. Reduced wage incomes have accentuated the difficulties of workers employed in seasonal industries. Even with wage incomes considerably increased by industrial recovery, returns in certain seasonal industries may be insufficient for a satisfactory standard of living. Where serious conflict in the seasonal demands of agriculture and the industry does not exist, or can be adjusted by a change in factory schedules, subsistence homesteads located near the plant have been suggested as a desirable permanent arrangement. Such a complementary adjustment of seasonal work on the land combined with seasonal work in industry has already received considerable development, but the full possibilities have by no means been exhausted.
- 6. <u>Decentralization of industry</u>. In recent years there has been a considerable movement of certain types of industry from their former centers of location. For this various causes have been assigned and the extent of the shift and reasons therefor vary from industry to industry and section to section of the country. As to location, decentralization may involve the establishment of industry on the periphery of existing industrial centers or districts, or in smaller cities or villages but still within the same general industrial region, or in either large or small centers in a different industrial region. Industrial decentralization, where feasible, promises definite economic and social advantages. It should aid in the redistribution of the overbalance of population in existing large industrial centers. Its possibilities have by no means been either exhausted or fully explored.

While it is not the function of the Division of Subsistence Homesteads actively and directly to aid industries desiring to do so, to decentralize, the Division is much interested in testing out more fully than has yet been done in this country the possibilities of associating garden homesteads with work in various types of nearby industrial plants as a regular and permanent arrangement. Small plants in villages and smaller cities appear to offer an especially fertile field for such experimentation. There are many who believe that the concentration of industrial operations in huge plants in large population centers, with resulting crowded and congested population, has gone too far. Experiments, under various conditions, of the planned

integration of industry and subsistence farming will demonstrate the feasibility and consequences of such an alliance between farm and factory and may give an impetus to a movement held to be desirable on a number of grounds.

7. "Stranded" agricultural communities. "Stranded" population groups by no means are confined to industrial groups. There are thousands of farm families marooned on eroded and worn-out lands or on lands inherently too poor on which to make a living, trying to carry on a hopeless struggle for existence. In other cases the land is not inherently hopeless but the rural communities have become utterly demoralized by a complete disorganization of the agricultural system. The extent to which these conditions exist is indicated by the fact that in the early spring of 1933 one out of every six rural families, on an average, was on public relief; this ratio, as would be expected, declined in July and August, but the figure was still high, being one in ten families.

There are rural slums as well as city slums. These greatly aggravate the overbalance of population in industrial centers because the farm people, driven from these hopeless situations, move to the cities, there to add to urban unemployment and relief problems.

Such completely dislocated rural communities must be reorganized and rehabilitated. The poor lands should be put into forests or grass or other vegetative cover and the farm families given a chance to get out of the rural slums onto better lands where they will have an opportunity to become self-supporting and to achieve a decent standard of living. The poor lands which they leave should be zoned against resettlement, or other measures adopted to insure that other families will not repeat the same tragic and costly experience. Of the better lands, however, there are large areas on which the traditional systems of growing staple crops like cotton and wheat on plantations or other large business units on a highly commercial basis, have been made economically obsolete, apparently, by fundamentally changed economic conditions. Smaller farms, more compact grouping to permit the operation of schools, local government and other public services at lowest possible costs per capita, reduction of acreage of wheat and cotton and other staple crops and more dependence upon subsistence crops, encouragement of ownership and reduction of tenancy, are among the changes that reorganization requires. Such reorganization may in turn necessitate a readjustment of local government functions and revenues, replanning of roads and schools, and other rearrangements.

In all these readjustments, the Division of Subsistence Homesteads, in cooperation with other agencies, can be of great service.

8. <u>Suburban living and better housing</u>. Although the legislation of Section 208 is directed largely to economic ends, important social objectives will be served as well. The development of garden homes for workers

in the vicinity of cities, for example, is in conformity with the growing movement to suburban and village living. This has been going on of its own accord for many years. The automobile, the hard surfaced highway, the electric power line, and other modern facilities have given impetus to the movement. The shorter workday and work week would greatly enlarge the opportunities. Apart from their economic advantages, particularly in the way of greater security, workers' suburban homes offer many social advantages. Properly planned and developed, suburban subsistence homesteads should afford a more wholesome way of living for the family than does the crowded city. Opportunity is afforded in the establishment of such garden homesteads to make full use of the best principles of land use planning both rural and urban; of engineering, architecture, and general lay-out; and of low-cost housing, which at the same time will conform to standards of convenience, sanitation, durability and attractiveness of design. Similarly, in demonstration projects involving the rehabilitation of rural slum areas, ample scope is given for the application of the best available planning knowledge in a variety of social and technical fields toward the end of acchieving a more permanently satisfactory way of rural life.

This legislation, consequently, affords opportunity for aiding developments which are desirable on various social grounds alone, and for demonstrating their possibilities under more widely varying sets of conditions than has yet been done. Even if, therefore, future industrial and agricultural recovery should lessen the immediate importance of the more strictly economic ends involved, the results on more purely social grounds should be of permanent national benefit. To be included in these results are highly constructive but often less easily measurable benefits, such as those provided by instruction and retraining in building construction, in small-scale agricultural pursuits, and in handicrafts and household arts and industries; by the incentives of home ownership; and by the restoration of morale undermined by long unemployment and dependence upon relief.

## III. General Program and Policies of the Division of Subsistence Homesteads.

The character of the ends to which Section 208 is directed and the specification therein that the appropriation shall constitute a revolving fund, make it apparent that this legislation is not in the category of temporary relief legislation. The Section embodies a permanent policy which contemplates a continued program of a long-time character. The administration of the legislation accordingly will be in conformity therewith, although due regard will be given to emergency needs consistent with the permanent program in view, and close cooperation will be maintained with the Federal Emergency Relief Administration and similar agencies.

Responsibility for emergency relief rests with the Federal Emergency Relief Administration, to which a fund of \$500,000,000 was appropriated for the specific

purpose of relieving distress both among the urban unemployed and in rural areas. On the other hand, the fund of \$25,000,000 made available to the Division of Subsistence Homesteads is directed toward preventing future need for relief from arrising, or at least reducing it to a minimum. If the Federal participation in the cost of subsistence homesteads can be kept to an average of \$2500 per homestead, possibly 10,000 families can be aided with the fund available. During August 1933, there were officially estimated to be 3,350,000 families on public relief.

Because of the nature of the purposes and problems involved and the limited fund in comparison with the need, the program of the Division will consist in aiding in the establishment of a series of demonstration projects which will test out the practicability of various types of projects under the varying sets of conditions found in different parts of the country. Best use of the available appropriation will be made by setting up demonstration projects which will point the way to a program of a permanent character. These demonstrations will of necessity be experimental.

Althoush "part-time farming" as a supplement to income earned in office and factory is not new in this country, having developed to a significant extent in New England, for example, yet on the whole, American experience with workingmen's garden homes, particularly on an organized, group-development basis, has been comparatively limited. In certain foreign countries, a considerable development along this line has taken place. However, European conditions in a number of respects are not sufficiently similar to our own to warrant drawing assured conclusions as to applicability of European experience to American conditions. Experiment and demonstration will clarify the issues involved and suggest what can effectively be done here. A basis will thus be provided upon which a program can be either carried further by the Federal Government or taken up by other agencies, including private capital.

Other general policies which will govern development of the Division's program are summarized below.

Location and type of projects. Projects will be located with reference to the the principal "problem areas" of the United States. Within the regional problem areas, projects will be located and established on the basis of local need, suitability and value for demonstration purposes and presence of various factors essential to the success of the project. In conformity with this selective policy, funds or projects will not be apportioned on a State or other territorial basis but will be selected after careful investigation of the soundness and merit of the specific project for demonstration purposes. Each project will have its place as part of a national demonstration program, being selected and planned to test out certain special features.

In general, five major classes of projects are being established: (1) Workers' garden homesteads near small industrial centers in which small industries are located and to which further decentralization is likely to take place; (2) Workers' garden homesteads near large industrial centers, usually of heavy industries not likely to decentralize; (3) Projects for rehabilitation of "stranded" industrial population

groups, particularly bituminous coal miners; (4) Projects for reorganization of disorganized rural communities, and for elimination of rural slums on lands submarginal for agriculture; (5) Movement of population, largely farm families, from submarginal dry-farming lands in the West, to unoccupied farms on existing Federal reclamation projects, to be done in cooperation with the Bureau of Reclamation. Projects of the first two types will be planned to accommodate those employed in offices, in the trades and in other lines, as well as in industry.

Subsistence homesteads will ordinarily be established and administered in groups, accommodating from 25 to 100 families, and in exceptional cases a larger number. An individual "homestead" ordinarily will consist of from 1 to 5 acres, depending upon soil, size of family, character of agricultural operations contemplated, opportunity for wage employment off the homestead and other factors. On this plot the family will be expected to raise vegetables and fruit and, depending upon circumstances, poultry and possibly a pig or two; in some cases a cow will be kept. Production will be on a subsistence basis for the household use of the family and not for sale in the market. The homestead, in other words, is intended to be a supplement to work in office or factory. One conclusion clearly to be drawn from European experience with "small holdings" is that without adequate opportunity for wage employment failure will result. Home processing and storage of food products will be encouraged. Home and small local industries will be fostered to aid in supplying clothing and other necessities and to develop sources of supplementary cash income.

In rural reconstruction projects the size of the individual homestead will naturally be larger and agricultural operations somewhat more extensive in scope.

The homesteaders in most cases will acquire ownership of their plots on long-term purchase contracts, but in some cases leasing rather than individual ownership may be employed.

In the program of the Division full consideration will be given to demonstration projects for Negroes and other racial groups. The impact of the depression in both agriculture and industry has been particularly severe upon the Negro.

<u>Planning of projects</u>. Projects will be planned, organized and administered with a maximum of local initiative and responsibility consistent with adequate general supervision and guidance by the Division and protection for the Federal funds advanced.

Projects will be planned and organized in cooperation with the State Agricultural Colleges, Experiment Stations and Extension Services; relief, welfare and other civic agencies; and with other State and local agencies whose fields are involved and whose services will contribute to the success of the project. Full use throughout will be made of the best technical experience and information available, both in general planning and in the more detailed planning of the particular project itself.

Projects will be located and developed with reference to a sound long-range plan for the economic and social development of the community or region. Where no such comprehensive plan has yet been formulated, projects will, so far as possible, be developed in conformity with sound planning principles so as to be consistent with such a plan when it is formulated. This will involve cooperation with various Federal, State and local planning agencies and experts. Particular attention will be given to conformity with the principles of sound land utilization and rural land-use planning. In all such planning procedure, trends and shifts in population, in agriculture, in industry, and in other factors will require consideration, together with their outlook for the future.

For the purpose of coordinating various Federal policies and activities related to subsistence homesteads, an Interdepartmental Committee has been established. The present membership consists of: Willard Thrope, Director, Bureau of Foreign and Domestic Commerce; Richardson Saunders, Assistant to the Secretary, Department of Labor; N. A. Olsen, Chief, Bureau of Agricultural Economics; Edwin Riefler, Research Division, Federal Reserve Board and Secretary, Executive Council of the United States; and E. L. Kirkpatrick, Rural Relief Analyst, Federal Emergency Relief Administration.

Administration and operation. The Division has organized a corporation, named Federal Subsistence Homesteads Corporation, which acts as the lending agency of the Division. Local corporations are formed for the development and operation of particular projects. Federal Subsistence Homesteads Corporation controls the activities and policies of the local corporations through complete stock ownership of the subsidiary local corporations. The subsidiary corporation will borrow money from Federal Subsistence Homesteads Corporation and will, in turn, give financial assistance to selected homesteaders. The subsidiary corporation will not be operated for profit. Complete responsibility for the operation of the project is placed with the board of directors of the subsidiary corporation, but the selection of officers and other personnel, rates of compensation, financial policies and general operating powers, plans and policies are subject to the approval of the Division and of Federal Subsistence Homesteads Corporation. The charter and other organization papers of the subsidiary corporation are prepared by the Legal Staff of the Division in Washington.

Finance, Federal funds advanced will be loans; grants will not be made. Except in special cases, preference will be given to projects toward which reasonable equity contributions are made from sources other than the Federal Government. Loans will be made to the local corporations, not to individual homesteaders. All loans must be adequately secured and will be at an interest rate of 4 percent to the corporation amortized over a period not to exceed 30 years with privilege of repayment at any time. The interest rate to the homesteader will usually be somewhat higher in order to provide a reasonable differential for the necessary annual management costs of the corporation. Amortization schedules will be adjusted to the character of project. prospective earning power of the homesteaders, quality and character of construction, etc. Homesteaders' payments may be made weekly, monthly, quarterly, or semi-annually, as may best fit the case; payments to the Government by the corporation, however, ordinarily will be on a seml-annual basis. Deferment of initial payments may be permitted where necessary, but such deferment will not exceed two years. Loans for purchase of production equipment, tools and machinery, including livestock, seeds, trees and fertilizer, will be made where necessary and where unobtainable from other sources. All charges and financial schedules, leases, contracts and other stipulations and agreements, especially as between the local corporation and the homesteaders, will be subject to approval of the Division. Cash income adequate to meet interest and amortization charges during the life of the loan necessarily must be assured. The source of this ordinarily will be employment in nearby industries, sale of products of home industry, in some cases work in nearby forests, or other source of wage employment off the homestead.

All projects necessarily must be planned in both establishment and operation as low-cost enterprises for persons of limited income.

Agricultural aspects. Selection of soil and site will be subject to approval by soil and other agricultural experts as to quality and suitability for the purposes contemplated. Size of the homestead, its arrangement and layout, selection of crops and livestock enterprises, and the agricultural program in general will be planned in cooperation with agricultural authorities, and with home economics specialists with reference to dietary adequacy. Agricultural operations will be planned and conducted on the basis of furnishing food for family use and not for sale in the market; where some production for sale is necessary to obtain cash income required to meet interest and amortization charges, the growing of noncompetitive products will be encouraged and every effort made to develop income from nonagricultural sources. In rural reconstruction projects, retirement of submarginal land from cultivation to offset any increases in the cultivable area will be effected in cooperation with the Government's agricultural adjustment program.

It will be the policy of the Division to make every reasonable effort to avoid aggravating the agricultural surplus. The small size of most of the homesteads, the emphasis on production for home use and not for the market, development of noncompetitive products, and coordination with the Government's submarginal land and general agricultural adjustment programs will effectuate that end. In any case, with the limited fund available for the subsistence homesteads program, the total addition to competitive production should be negligible.

Under the pressure of stark necessity, thousands of city people, unable to sell their labor for wages with which to buy food and other necessities, have struck out for themselves and gone "back" to the land. They will continue to do so as long as severe unemployment persists. Many of them came originally from the farms; in fact, the city has, until very recently, been the natural outlet for thousands of rural young people not needed on the farms who felt that better opportunities awaited them in the city. But an unguided mass movement to the land is fraught with the gravest dangers both for the people going out and for the rural communities into which they go. Too often, for example, they are induced to go on poor land because it is cheap, place more children in the rural schools without adding sufficiently to local tax revenues, and finally become relief charges upon the rural community. Careful guidance and direction clearly are needed. European experience, as in Denmark, for example, shows that a properly guided and directed subsistence homestead movement ought not operate adversely to commercial agricultural producers. On the contrary established agriculture as a whole stands to gain from the security and stability afforded the city worker - the chief consumer of agricultural products - by a subsistence homestead.

Engineering and architecture. The homestead developments will be laid out and constructed in accordance with approved planning, architectural and engineering practice. While the structures and other facilities must necessarily be moderate in cost, they will conform to standards of convenience, durability, sanitation and attractiveness with sufficient variation in design to avoid monotony. Availability of highways or other transportation facilities, and proper facilities for health and sanitation and for electric light and other essential utility services, will be required. Architectural and engineering plans, specifications and costs will be subject to approval by the Division.

Prospective homesteaders will insofar as possible perform, under competent supervision, the various constructional and other activities connected with preparing and improving their homesteads for occupancy and operation. It is the policy of the division to encourage the fullest possible use of the homesteader's labor on his own homestead. His otherwise unemployed labor will thus be advantageously utilized to establish a substantial equity in his home and to reduce materially the financial burden upon his limited resources.

The Division may also require suitable zoning or other regulations or restrictions on structures, future subdivision, land use, and other features to protect the character of the community.

<u>Selection of families</u>. Selection of families for the homesteads will be made by qualified local agencies subject to approval by the Division. Careful inquiry will be made into character and ability, past record, interest and fitness for agricultural pursuits, present employment status and prospects for wage-employment off the homestead, and other factors. Sources of cash income are essential in order that interest and amortization payments may regularly be met.

Educational and advisory facilities. The availability of competent local technical advice and guidance, particularly in the fields of agriculture, home economics and various arts and crafts, is essential for most of the families at least during the initial transition period. This usually will be arranged for through cooperation with existing educational and service agencies such as the State Agricultural Colleges and Experiment Stations and the Agricultural Extension Service.

Adequate educational facilities for the children of the homesteaders must of course be available. While in many cases these can be supplied by existing local schools, in other cases special arrangements will have to be made. Addition of more pupils to existing rural schools may frequently place an undue tax burden on the established rural community.

<u>Continuation of relief</u>. Where necessary, the Division will require satisfactory arrangements for the continuation of relief until the homesteaders have had an opportunity of becoming self-supporting. Assurance will be required that relief responsibilities will not be shifted unfairly to rural areas.

#### IV. Applications for Financial Assistance.

As has already been mentioned, it will not be possible to give consideration to applications from individuals seeking to become established on individual subsistence homesteads on their own account. The Division is not a credit agency for the lending of money directly to individuals for the purpose of buying farms, purchasing livestock or building homes.

Loans will be made only to local corporations or other responsible agencies, organized specifically for subsistence homesteads purposes, as described earlier in this circular. (See "Administration and Operation", Section III.) Although applications from such corporations for loans may be filed with the Division for possible consideration in connection with the Division's program, applications already on file request financial assistance far in excess of the funds available.

Neither the subsistence homesteads legislation nor the Division of Subsistence Homesteads has any connection with the general homestead laws or their administration. The latter apply to the public domain and are under the jurisdiction of the General Land Office. The Division of Subsistence Homesteads has no land to sell, rent or grant.

Subsistence gardens in connection with projects that are essentially housing developments come within the jurisdiction of the Division of Housing of the Federal Emergency Administration of Public Works. (See Federal Emergency Administration of Public Works, Circular No. 1, p. 19.)

### V. National Advisory Committee on Subsistence Homesteads.

To insure adequate consideration of the various public aspects in the administration of the subsistence homesteads legislation, the National Advisory Committee on Subsistence Homesteads has been appointed to advise on policy and program. The membership is as follows:

Senator John M. Bankhead, of Alabama, Chairman; Hayden B. Harris, W.A.Julian, Edward A. O'Neal, Louis J.Taber, Bernarr MacFadden, Louis Brownlow, Dr. John D. Black, P.V.Cardon, Ralph E. Flanders, Dr. John A. Ryan, Bernard G. Waring, Dr. Philip Weltner, William Green, Henry I. Harriman and Dr. Clark Foreman.

Senator Bankhead introduced the original measures for subsistence legislation in the current Congress.

Hayden B. Harris, of the Harris Trust & Savings Bank, Chicago, is a member of the Unemployment Relief Committee of that city. After an investigation of unemployment and congestion in Chicago, he has concluded that the most constructive remedy is large scale development of subsistence homesteads within range of industrial employment.

W. A. Julian, Treasurer of the United States, is Chairman of a subcommittee dealing with decentralization of industry named by the National Business Advisory and Planning Council, headed by Gerard Swope. Mr. Julian is a strong advocate of subsistence homesteads.

Edward A. O'Neal is well known as President of the American Farm Bureau Federation, as is Louis J. Taber, Master of the National Grange. Their membership on the Committee assures consideration of the interests of agriculture.

Bernarr MacFadden, publisher of many magazines and newspapers, has long been prominently identified with the subsistence homesteads movement.

Louis Brownlow, former Commissioner of the District of Columbia and an expert in municipal government, now Director of the Public Administration Clearing House, is probably the best qualified man in the country to represent the viewpoint of cities and their relationship to subsistence homesteads for industrial workers.

Dr. John D. Black, of Harvard, is an outstanding agricultural economist who has given much thought and study to subsistence homesteads.

- P. V. Cardon, of Logan, Director of the Utah Agricultural Experiment Station, is thoroughly familiar with part-time farming conditions in the western third of the country, and has had much direct experience with subsistence homesteads in Utah.
- Ralph E. Flanders, of Springfield, Vermont, operates a manufacturing company eight miles from a railroad and is a leader in engineering circles. Practically all of his employees live on subsistence farms.

Dr. John A. Ryan, of the National Catholic Welfare Conference in Washington, is a nationally known advocate of social justice and is deeply interested in the question of subsistence homesteads from the point of view of improving conditions of labor.

Bernard G. Waring, of Philadelphia, is a manufacturer who is thoroughly familiar with the problems of the miners in the Appalachian coal fields.

Dr. Philip Weltner, Chancellor of the University of Georgia, has a particular understanding of readjustment problems in the Southern States and advocates a national plan that will apply to Negroes as well as whites.

William Green is well known as President of the American Federation of Labor.

Henry I. Harriman is President of the Chamber of Commerce of the United States. He has long been interested in industrial decentralization.

Dr. Clark Foreman is Adviser on the Economic Status of Negroes. He is attached to the Interior Department, where his duties entail special attention to the manner and extent to which Negroes are sharing in the results of the operation of the National Recovery Act.

